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CSSR'S EHRENBERGER DISCUSSES POWER INDUSTRY

LD242235 Prague Television Service in Czech 1730 GMT 22 Dec 86

["Interview with Vlastimil Ehrenberger, CSSR minister of fuels and power, by various correspondents at 22 December news conference, place not specified; live or recorded]

[Summary] [Prague TV Correspondent] "Comrade Minister, the recent fourth session of the CPCZ Central Committee stressed that the tasks of the Eight 5-Year Plan represent a qualitatively new stage in the development of the Czechoslovak economy, based above all on the intensification of speeding up scientific-technological progress and lowering material requirements of production. How does it reflect it the power industry?

[Ehrenberger] This idea is anchored in the resolution of the 17th CPCZ Congress and in the Law on the 5-year plan. As to nuclear power engineering, for example, up to the end of this 5-year plan production should represent 25 billion kilowatts of electric power. The main idea is to replace coal whose extraction should be lowered in the last few years of the 5-year plan. As to centralized supplies of heat, it is a strong power-saving source; it also represents savings of labor force, materials, and equipment. The old thermal power stations, which will be rebuilt, will be used for the production of combined heat. A great role is also played by the heat, which would normally escape from nuclear power stations, and which will be utilized. In the current 5-year plan only, it is estimated that about 100,000 metric ton of black coal will thus be saved. In the coming years, up to the year 2000, this substitution will represent about 1 million metric tons of black coal.

[Unidentified correspondent] What is the program of building hydropower stations like?

[Ehrenberger] This program was approved: There will be small hydropower stations, and those whose output will exceed 10 megawatts. Unfortunately, Czechoslovakia is not very rich in water resources, so our possibilities are limited in the final years to about 10 billion kilowatts of electric power.

[(?NOVA DOBA) correspondent] This year, the plan of production of assorted coal for small consumers will be exceeded. Despite this, there are considerable difficulties in coal supplies. Could you explain this contradiction?

[Ehrenberger] I do not know of any considerable difficulties. There may exist individual isolated cases of shortages of coal or shortages of coal of the required quality. I would like to say that our concern is coal mining, but its distribution is not organized by us, but by the Ministry of Trade. A great role, of course, is played by coal transportation, which is being secured by the department of Transport. We do our best: In comparsion with the plan, we want to extract 1.3 million of assorted coal over and above plan. The sources of assorted coal are rapidly diminishing in our country. Such localities as Most or Maxim Gorkiy open-cast mines are almost exhausted. Low-quality coal, however, which is still in good supply, can be used by industrial enterprises, hospitals, and schools, since special boilers have been developed for this purpose.

[CTK correspondent] What about power supplies this winter? There appear to be difficulties.

[Ehrenberger] In view of the situation, which does not depend on Czechoslavakia alone, we had to increase production of electic power this year by about 2.5 billion kilowatts in comparison with the plan. We could not use our water resources as we had planned, and some enterprises increased their planned power consumption. That is why we used the so-called seventh degree which is not at all a regulation degree. It means that

everyone gets a certain amount of power according to agreed drafts and at a certain time; in other words, it leads toward a certain kind of discipline. This consumption degree proved justified. Many enterprises and institutions, which exceeded power consumption, corrected their behavior.

We then recalled the seventh degree and I would like to put our listeners at ease and promise that we will not be using it.

[Unidentified correspondent] "It is not a secret that the situation in electric power supplies in neighboring countries, in CEMA countries is not too favorable. Will this situation affect our power network?"

[Ehrenberger] "Of course, such a vast network as this network is, has its great advantages; great advantages in the internetwork effect - that we can help each other -- this is a great advantage. However, of course there are disadvantages if some participants think that they can only take from this system and contribute less to it. There exists this danger, not in all the states, the neighboring states, but this is also an internal matter -- we have to reckon with the possibility of such trends. We have had very specific talks with our neighbors and friends, and we have adopted measures in this respect in order not only to take electric power from the system, but to maintain the necessary balance and also to observe its frequency as one of the important quality indexes of electricity supplies."

[Unidentified questioner] Czechoslovakia has promised to reduce the overall emissions of sulfur by 30 percent by 1993. Is this being fulfilled?

[Ehrenberger] I think this pledge is a very correct one. It is not an easy task. The first path for its fulfillment is the building of nuclear power stations. The second path is the production of coal power stations which are going to be and already are being desulfurized. It is not easy from the technological point of view and it is not cheap. Together with the USSR, we have embarked on the production of desulfurization equipment in Tusimice. I would like to stress that this equipment represents up to 40 percent of the price of the power station. Despite this, we have decided to implement this process in power stations such as Prunerov-2, Pocerady, Novaky, Tisova, Melnik.

[Unidentified questioner] "The State Power Inspectorate, during the checks carried out this year, discovered serious shortcomings in the case of 50 percent of enterprises, both in the technical state of equipment and also in exceeding consumption. These organizations have already been fined; however, as the results show, the fines are not yet fully effective. Should there not also be some other additional punishment besides the fines?"

[Ehrenberger] "Not only this year but in the past, too, our State Power Inspectorate discovered offenses. I would not wish for our State Power Inspectorate to be an organ that carries out only repressive measures. Our State Power Inspectorate also provides a very important consultative service -- it examines projects. And we would wish for this part of activity of the State Power Inspectorate to broaden. But the fact is, however, that it acts as a repressive organ because, if, as we say, some would not listen to reason then other means have to be used. And these means are indeed used by the State Power Inspectorate. I would like to say that a new bill on the State Power Inspectorate, which has been prepared, will give it further rights -- both in its function as a consultative organ, and in its repressive function. Thus, for example, it is being proposed -- the bill has not yet been passed of course -- that it may mete fines, to organizations or individuals, of Kcs 200,000 and for repeated offenses, Kcs 400,000. These are not small sums and in the case of individual fines -- Kcs 10,000 or bloc fines [blokova], represent about Kcs 500. We do not want to use these sanctions, naturally, but in some cases this is necessary. We would wish for enough electricity to be generated, but also for its rational use.

In the case of those who will not be willing, despite the punitive measures, to improve the matters, we will even be able to adjust the limits of their power supplies."

[RUDE PRAVO correspondent] Are there any plans to increase the economic interest of enterprises in better utilization of power?

[Ehrenberger] In comparison with other countries, you are quite right in saying that power in our country is not being dispensed with wisely. We have increased wholesale prices of power, in harmony with the rest of the world. We have agreed that these wholesale prices will be adjusted in the next 2 years. The state subsidies will represent about Kcs 7 billion as to the difference between retail and wholesale prices.

[Unidentified questioner] The current 5-year plan and prospects up to 2000 envisage much more extensive use of natural gas. The sources for domestic consumption are to increase by about 45 percent. What is the current situation with regard to natural gas supplies?

[Ehrenberger] For example, we now use about over 11 billion cubic meters of natural gas. During the nineties, this will be increased up to about 15 billion cubic meters and at the end of the century, the consumption should constitute over 19 billion cubic meters. We must realize that our own resources are not very rich, and we cannot cover our consumption merely by increasing our extraction; imports play the main role. We buy natural gas in the USSR. The production of city gas, produced from brown coal, is being reduced, and now represents a mere 3 billion cubic meters.

[Unidentified questioner] How much are we dependent on imports in our power industry?

[Ehrenberger] It is true that we export some kinds of power, such as coking coal or coke, and also a small amount of brown coal. However, most power is being imported; specifically, our entire consumption of oil is being covered by imports from the USSR. We also import electric power from the USSR; about 3 million metric tons of black coal from the USSR; we import 1.5 million metric tons of black coal from Poland; and we import about 600,000 metric tons of briquettes from the GDR.

[Unidentified questioner] After the third unit was put into operation in Dukovany recently, the share of nuclear power production is now more than 20 percent. How is the construction of nuclear power stations continuing, that is, in Mochovce and Temelin, where four 1,000-milliwatt units are being built?

[Ehrenberger] Recalling Dukovany: We managed to overfulfill the plan and complete the unit ahead of schedule. In Mochovce, we are moving further in that all the knowledge as to safety and production is being implemented. A seismic power station and a new method of automatic control center will be implemented here. "Seismic" means that the power station is resistant to earthquakes. Temelin is also a seismic power station. The volume of building work at Mochovce will constitute next year about Kcs1 billion. There are, of course, problems in project documentation, mechanical problems, as is the case at such large building projects. But I am convinced that the first unit of Mochovce power station will be put into operation at the end of 1989, as planned. As for Temelin, work is continuing successfully in safeguarding production, housing, and other facilities which are connected with large numbers of employees. Tasks are being fulfilled also from the point of view of finances and deadlines and actual production. The main effort now goes to concreting the foundations which should be finished next summer.

[Unidentified questioner] "During the 23 years of production experience of our reactors in nuclear power stations, there has not been a single situation which led or could have led to radioactive substance leaks. The broad background for the safety at nuclear power stations was also anchored in Bill 28 from 1984. Despite this, what was the lesson of the Chernobyl tragedy for us?"

[Ehrenberger] "Naturally, we took part in all talks concerning the use of experiences from the tragedy, or the accident, at the Chernobyl power station. Exerpts from our country, from our Ministry, from enterprises, from Jaslovske Bohunice and also from our nuclear commission were present at the assessment -- I would like to say -- the very detailed discussion of the entire accident -- delivered by Soviet specialists and experts. And we asked ourselves which of these experiences we can use in our nuclear power stations."

First of all, I would like to say that the RBMK type which was implemented only at Chernobyl is completely different in principle from the VVER-TYPE reactor used in our country. Also, the moderating system is different in our country; it is water rather than graphite. But there are some points from the Chernobyl assessment that can be generally used, not so much in the construction, but in the human factor. We would like to devote and we are devoting great attention to this aspect. For example, we have built a teaching center in Trnava where we train cadres for nuclear power stations. Our employees are being trained there continually. There are six shifts working at a nuclear power station. That means that four shifts are at work; the fifth shift is in reserve in case something happens; and the sixth shift is a training shift, which means that various situations are being simulated where the members of this shift demonstrate their abilities of fast reaction. We would like to perfect these methods of cadre education. The process of selecting cadres for nuclear power station management is strict, and distinct ability is called for. Then there are small measures, such as order, storing of documentation, fire measures, and so on, which should be used in our nuclear power program so that it may serve the people and so that it does not represent any danger.

[RUDE PRAVO correspondent] "Many enterprises, and even individuals, would like to save electricity but often they do not have enough suitable and financially affordable regulation equipment. Is anything being done in this respect?"

[Ehrenberger] "Here, experiences are being utilized both from abroad and even our own. If the heating equipment is installed properly, up to 20 percent of energy can be saved. And in the case of hot water, the best possible utilization of regulation equipment can save up to 30 percent. True, the introduction of regulation equipment is slow. The various equipment was on show recently at "Pragoterm" exhibition in Prague. It cannot be said that we do not make such equipment, but it is being introduced slowly. There are still some aspects -- such as prices and servicing -- which have not been resolved yet. The regulating equipment is being utilized in the world successfully -- it also makes people happy they have a control over what they need, hot water, for example."

CHARTER 77 MEMBERS CITED ON 10TH ANNIVERSARY

AU301104 Paris AFP in English 1046 GMT 30 Dec 86

[By Paola Juvenal]

[Text] Prague, Dec 30 (AFP) -- The Charter-77 group, founded on January 1, 1977 by Czechoslovak dissidents in protest against human rights abuses, has remained for 10 years a focal point of resistance against government repression.

The Charter was launched as a manifesto by a small group of dissidents prior to the 1977 Conference on Security and Cooperation in Europe, which was to review the accomplishments of the Helsinki accords signed two years earlier.

The Charter's signatories swelled from 242 to some 1,200 by the end of that year, and in April 1978, in the midst of a crackdown on dissidents by the Prague government, the VONS (Committee for the Defense of Persecuted People) was created as the group's active core.

Ten years later, repression and waves of emigration he left the Charter with only 1,000 members, the same number as when it was founded, including intellectuals, workers, Catholics, Protestants, and ex-government officials such as Jiri Hajek, foreign minister in the 1968 "Prague Spring" government that was overthrown by Soviet troops.

The group considers itself "free and pluralist" and refuses to be identified with a political movement, such as the much more widely followed democratic opposition in Poland. Half of its members live in Prague, and being of mainly Czech inspiration, it has received little support in Solvakia.

But the Charter has maintained a visibility much greater than its actual numbers would suggest, partly owing to the word being passed over to the West by emigres, and the government has had to modify its approach.

"The regime now seeks less to repress than to intimidate, to deter, so as not to directly upset opinion in Western countries with which it wants to have trade links," one dissident said.

Dissidents are no longer imprisoned, as they were following the VONS trial in 1979, another Charter signatory noted. "They just watch us and call us in from time to time for interrogation," the dissident said.

As playwright Vaclav Havel, one of the Charter's founders and main spokesman, put it, "the regime has had to get used to living with the Charter; it has won the right to exist."

For the first time this year, children of dissidents were admitted to university, while others have been allowed to travel to the West -- an unthinkable concession a few years ago.

The recent revival of an East-West dialogue on human rights has contributed to the government's softer stand, and the liberal policies of Soviet leader Mikhail Gorbachev on dissidents have led Czechoslovaks generally to hope for a similar new liberalism at home.

"People appear to be less afraid, they freely discuss problems they would never have dared talk about except in private," Jiri Dienstbier, a Charter signatory, said. But the dissidents here are careful not to over-estimate the government's capacity for change. In the past few months, the Charter has had to come to the defense of the country's cultural groups which have recently borne the brunt of governments repression.

The seven leading officials of the Jazz Section have, notably, been in jail in Prague for four months and the Charter has been clamoring for their release. As Mr. Dienstbier noted: "Our main ambition is that the Charter be made totally useless, for that would mean that freedom was finally respected in our country."

HONECKER ARTICLE OUTLINES NEW YEAR TASKS

LD301641 East Berlin ADN International Service in German 1350 GMT 30 Dec 86

[Text] Berlin, 30 December (ADN) -- The article by Erich Honecker, the general secretary of the SED Central Committee and chairman of the GDR Council of State, is entitled "A Peaceful and Happy New Year to all GDR Citizens." Its text is as follows:

At the threshold of the new year, soon to be crossed, I warmly greet all citizens of the GDR and express my best wishes for 1987. I am thinking of all that concerns the well-being of each one of us, good health, success in one's job, happiness, and the success of useful resolutions in the personal and social sense.

If we carefully examine the results of 1986, we may say that we have jointly done much to foster confidence that we shall manage the no less exacting tasks of the new year. Above all, we want to do our bit to preserve and strengthen peace. Our socialist GDR shall continue to flourish. Our efforts shall bear fruit for the benefit of the people.

In the domestic and foreign fields, the implementation of the decisions of the 11th SED Congress is proceeding. Great achievements brought stable and dynamic growth rates in our economy and contributed to the shaping of our developed socialist society. The application of key technologies, the pursuit of the highest achievements in science and technology, increasing productivity and lower consumption of energy and materials -- these are the features of our socialist competition, reflected in the fine results in accounting for the 1986 economic plan.

At the end of the year, I feel compelled to wholeheartedly thank all who in whatever field have contributed to our successful overall results. My thanks go to the workers, cooperative farmers, scientists and researchers, cultural workers, women, our fine young people, and the labor veterans. It goes out in particular to the members of our Armed Forces, who at all times ensure the reliable protection of our gains and a life in peace.

In the past year, as in others, the GDR has been able to rely on the fraternal ties and cooperation with the Soviet Union and the other socialist community countries and has contributed much to their further development. The Moscow meeting of the leaders of the socialist CEMA member-states was of fundamental importance for the consolidation of this collaboration. It ushered in a new phase in the relations between our parties and countries.

In the struggle for a secure peace, the GDR steered a firm course and undertook a good deal in 1986. It was shown that the policy of dialogue and cooperation is paving the way for those agreements on which the defusing of the world situation depends, for concrete measures toward disarmament, and normal, predictable international relations. The danger of a nuclear war has still not been banished. Indeed it has been increased by the United States, which clings to the SDI and by Washington's moving away from SALT II. It is in the interest of all mankind to break out of the vicious circle of the arms race. Our republic will tenaciously work to that end.

During Mikhail Gorbachev's meeting with Ronald Reagan in Reykjavik, it became clearer than ever that practical agreements on disarmament are not only necessary but possible. One must not flag for one moment in the efforts to bring them about.

Mikhail Gorbachev's proposals to rid the world of all nuclear weapons by the year 2000 and the proposals of the Warsaw Pact states for conventional disarmament from the Atlantic to the Urals point the way. They encourage all forces of reason and realism and counteract all who prefer to build arms and confrontation, who are dreaming of military superiority, and who are prepared to take reckless risks.

Today we can properly understand all that depends on the growing strength of socialism. The GDR's record of achievement in the past year is of particular value because it reflects the good start of our new 5-year plan. Our produced national income rose by 4.3 percent, achieved mainly by increased productivity and lower production input. Production was further intensified. This primarily shows that science and technology, key technologies, such as microelectronics and electronic data processing, increasingly sustain our economic growth. We are successfully implementing our economic strategy. Its pivotal point is to link the advantages of socialism with the gains of the scientific-technical revolution. Our agriculture produced good results in 1986; just recall the grain yield of 4.64 metric tons per hectare.

Significant improvements in our material and cultural living standards went hand in hand with our increased economic performance. Pride in where one lives goes with the handing over in the past 12 months of over 215,000 new and modernized dwellings. Young families, mothers, and children, enjoyed still more favorable conditions. Our education sytem was further improved. Health care was expanded. Net money incomes rose by 4.5 percent. All this was done while prices were kept low for essential goods, rents, tariffs, and services, which we shall continue to keep low.

All in all, we may rightly say that our work has been worthwhile. The year 1986 has been a good year for our people. We shall continue purposefully on our path. It will not be easy, for human needs and the shaping of our developed socialist society are making high demands. In 1987 we shall have to continue the brisk pace of economic growth, and indeed accelerate it in important sectors. The indices of our economic plan show how we shall implement the integration of economic and social policy next year. The crucial point is to develop key technologies still more rapidly, apply them on a wider scale and use them more effectively. Our success in 1986 spurs us to march still more single-mindedly into the world class of economic efficiency and to gain a lead at essential points.

Higher demands will be made regarding the quality and reliability of our work, the exact rhythm of production and contract fulfillment, the spirit of innovation and initiative. The importance of the preparatory work done by our schools and universities emerges with increasing clarity. With industry calling for creative thinking and action, people are demanding more from art and culture. So this social process, the hallmark of our 5-year plan, is permeating all areas of life. The year 1987 will be one of great events and more than a few challenges in our work and struggle. A special high point will be the 70th anniversary of the victory of Red October, which switched the destiny of mankind to new paths. The rise and development of our GDR is one of the world's historic changes in favor of socialism and progress, which it initiated. The GDR has proved itself a stable pillar of peace and socialism in the heart of Europe.

The decision of our 11th Congress provide us with a reliable guide for action in the new year. Throughout our country, the new year will be marked by our continued pursuit of the proven policy of integrating economic and social policy for the good of the people, the successful shaping of our developed socialist society, and active contribution to the safeguarding of world peace. That is worth the personal commitment and vigorous cooperation of all of us. Thus, everyone will help our common cause as well as themselves.

PRESIDENTIAL COUNCIL RELIEVES, APPOINTS OFFICIALS

LD301608 Budapest MTI in English 1447 GMT 30 Dec 86

[Text] Budapest, December 30 (MTI) -- At its Tuesday session the Presidential Council passed decisions on new assignments and retirements under the proposal of the HSWP Central Committee and the National Council of the Patriotic People's Front. The Presidential Council relieved of their posts Lajos Faluvegi, deputy chairman of the Council of Ministers and president of the National Planning Office, Istvan Hetenyi, minister of finance, and Jozsef Szakali, president of the Central People's Control Commission, with the appreciation of their merits.

The Presidential Council appointed Deputy Chairman of the Council of Ministers Laszlo Marothy president of the National Planning Office, Frigyes Berecz deputy chairman of the Council of Ministers, Laszlo Ballai president of the Central People's Control Commission, and Peter Medgyessy minister of finance. Following the session of the Presidential Council, Frigyes Berecz, Laszlo Ballai and Peter Medgyessy took the oath of office in front of Pal Losonczi, in the parliament building.

The Presidential Council of the People's Republic has awarded the Red Banner Order of Labour to Lajos Faluvegi, Istvan Hetenyi and Jozsef Szakali, in recognition of their successful decades-long work, on the occasion of their retirement. The honours were handed over by Pal Losonczi, president of the Presidential Council, in the parliament building on Tuesday. Present at the event were Janos Kadar and Gyorgy Lazar.

Biographies of New Officials

LD302025 Budapest MTI in English 1608 GMT 30 Dec 86

[Text] Budapest, December 30 (MTI) -- Laszlo Ballai, the new president of the Central People's Control Commission, was born in 1929 of a large peasant family.

He has been member of the party since 1952.

Laszlo Ballai graduated from the Karl Marx University of Economics in 1956 as an economist, and worked with the Mohacs District Council, the party committee of the 9th district of Budapest and of the Karl Marx University of Economics, the National Planning Office and in the administration of the Central Committee of the HSWP. He has been the head of the Economic Policy Department of the Central Committee and the member of the Economic Policy Commission of the Central Committe since 1980.

As a member of the Hungarian Economists' Society he was active in streamlining the Hungarian economic management system.

Frigyes Berecz, new deputy prime minister, was born in Budapest in 1933 of a worker's family. He become a mechanic and joined the Army in 1949. Later he was employed at the Beloianis factory for telecommunications equipment as an electromechanician and then was promoted to managerial posts. He has been managing director since 1981.

He has been a member of the party since 1962.

He graduated from the Budapest Technical University, in electric engineering and took a postgraduate course in economics.

He was elected a member of the HSWP Central Committee in 1980.

Peter Medgyessy, new financial minister, was born in 1942 in Budapest. He graduated from the Budapest-based Karl Marx University of Economics in 1966, and has since been employed at the Ministry of Finance. Since 1970 he has held in several important posts of the ministry, particularly in the field of pricing and taxation. He contributed to the modernization of the economic and financial regulation system.

He has been member of the HSWP since 1965.

He became a member of the International State Financial Institute in 1973, and has published several studies on international financial issues. He was appointed deputy foreign minister in 1982, and is a member of the Presidium of the Financial Section of the Hungarian Economic Society.

VARKONYI ADDRESSES NATIONAL ASSEMBLY 20 DEC

AU271625 Budapest NEPSZABADSAG in Hungarian 22 Dec 86 pp 3-4

[Report on speech by Foreign Minister Peter Varkonyi at the National Assembly session in Budapest on 20 December]

[Text] In his report, Foreign Minister Varkonyi analyzed both the international situation and Hungarian foreign policy in the past year. First, he mentioned the fact that it is precisely a year since the National Assembly session of December 1985 expressed the hope that the international political conditions for this Hungarian activity might become slightly more favorable than previously. "Indeed, as a result of the peace initiatives of the Soviet Union and the other socialist countries aimed at radically changing the international situation and an increase in the the activity of the realistically thinking political and social forces in the world, there has been a slight easing of tension in international life. Therefore, there are possibilities for progress in certain areas of world affairs. Now we can already state with certainty that the first signs of this progress appeared at the Soviet-U.S. summit in Geneva in November 1985. As a result, in the course of more than a year that has passed, Soviet-U.S. contacts have widened and the new summit in Reykjavik was an event of paramount importance in the series of these contacts.

"Today it is recognized all over the world that the dynamic foreign policy steps adopted at the 27th CPSU Congress and which express a new way of thinking play a decisive role in strengthening the positive trends in world affairs.

"The most important thing is the fact that this foreign policy guideline -- which the Hungarian Government policy also supports with every possible means -- is in close harmony with the requirements of the nuclear-space age. It expresses the universal human interests. The demand for the creation of a mutual and adequate international security is at the center of this foreign policy. It starts from the premise that it is impossible to win not only a nuclear war but also the arms race. And equal and mutual security must be guaranteed by political means rather than by military threat and deterrence. This policy regards the establishment of international security and relations on new foundations in a wide context, together with the development of economic and humanitarian cooperation, in addition to the political and military factors."

Varkonyi mentioned the unilateral nuclear test moratorium in force as of 6 August 1985 as a characteristic fact of the practical implementation of this policy, a moratorium that is closely related to the comprehensive program announced on 15 January 1986 and which stipulates the gradual elimination of nuclear weapons and other weapons of mass destruction by the end of the century.

We Support the Soviet Appeal [subhead]

"In the spirit of this highly important initiative General Secretary Mikhail Gorbachev submitted a package of proposals at Reykjavik on the radical reduction of nuclear arms within a few years and their subsequent elimination, as well as on avoiding the spread of the arms race into space. We support the recently published appeal of the Soviet Government on immediately starting negotiations covering all areas on the total banning of nuclear tests" -- Peter Varkonyi declared and added that this widespread security policy concept expresses the interests of the entire socialist community and the principles included in this concept are embodied also in the concrete foreign policy initiatives and steps of the other Warsaw Pact member-states. "The proposals made by our alliance are flexible, original and also broadly take the interests and security considerations of our partners into consideration. The Appeal of the Warsaw Pact's Political Consultative Committee made in Budapest in June this year, for example, an appeal that contains a concrete program for the reduction of armed forces and conventional arms in Europe, was of outstanding importance from the viewpoint of a large-scale reduction of military confrontation.

In the report, it is regarded as a matter of outstanding importance that the UN raised to the rank of a decision the proposal for the creation of a comprehensive international system of peace and security submitted by the Hungarian People's Republic in the name of 10 socialist countries.

Peter Varkonyi then discussed the fact that as a result of the Soviet proposal there is increasing recognition all over the world that nations must join forces in order to ensure the survival of mankind, and that they can and must halt the arms race and must work out and sign genuine arms limitation and disarmament agreements as soon as possible. Our Western negotiating partners who receive our proposals with more or less reservation also agree with this fact.

"Unfortunately, the events show that the forces that are not interested in signing genuine agreements and in eliminating nuclear weapons also have a considerable influence, particularly in the United States. The U.S. military-defense industry complex and the forces trying to achieve military superiority are endeavoring to revoke the agreements formulated on certain issues in Reykjavik and to cancel the results of previous years. The U.S. violation of the SALT II treaty, among other things, also proves this trend. As a result of all these, the conditions for the continuation of Soviet-U.S. negotiations have again become more difficult and we have to count in the future, too, on the possibility of new tensions emerging in the relations between the two leading powers.

"The overwhelming majority of the West European countries constantly express their interest in limiting and eliminating nuclear arms. It is unfortunate that, at its latest session, the NATO Ministerial Council -- sticking to its doctrine of nuclear deterrence -- instead of calling for the total elimination of nuclear strategic offensive weapons, called for a reduction of only 50 percent. We, for our part, regard the implementation of the Soviet proposal made in Reykjavik on the total elimination of the strategic offensive weapons as the desirable alternative from the viewpoint of all mankind.

"As is well-known, the NATO Ministerial Council session in Brussels published a statement concerning the limitation of conventional armed forces and their weapons stationed in Europe. [paragraph continues]

"In spite of its clearly negative elements, too, we regard this position as something that -- although it does not provide a genuine answer to the Budapest appeal -- nevertheless opens up possibilities for discussing the proposals included in that appeal. The two sides will have to perfect their concepts in the coming period in order to be able to start genuine negotiations in the spirit of equal and mutual security aimed at considerably reducing the military confrontation. The Hungarian People's Republic is ready to take an active part in the preparations of such negotiations," Peter Varkonyi stressed and then continued as follows:

"The main trend today is that the new political thinking that recognizes the realities of the nuclear age and accepts responsibility for avoiding a nuclear catastrophe are increasingly strengthening in the world. A good example of this is provided by the active stand of the leaders of the states called the "Delhi Six" - Argentina, Greece, India, Mexico, Sweden, and Tanzania, or the summit conference of the nonaligned countries held in Harare.

"A similarly important contribution to the creation of a more favorable atmosphere was given by the success of the first phase of the Stockholm Conference on Confidence-Building Measures and Security and Disarmament in Europe. This was the first serious international step to extend the process of European security and cooperation to the military area since the Helsinki Final Act was signed.

"All these are in harmony with the fundamental efforts of Hungarian foreign policy. Our active participation in the common endeavors aimed at creating a peaceful world free of arms expresses our national interests."

For the Solution of Global Problems [subhead]

"In the past months, the interest also turned to global problems whose solution requires a large-scale international collaboration. One such global problem is, for example, the common struggle against environmental damage, which recognizes no national boundaries. The recent agreement within the IAEA framework and which emerged with exemplary speed expresses this common recognition and the need for joint action. International terrorism is also increasingly becoming a universal problem. For our part, we firmly denounce terrorist acts, which nothing can justify, including raising terrorism to the level of state policy, and we are ready to cooperate with anyone struggling to eliminate this harmful phenomenon.

"The year 1986 also has been unsuccessful in bringing a positive change in the world economic trends, trends that are unfavorable for us, too. Under such conditions, it is clear that the creation of an international economic security has become a joint task in the interest of the majority of countries."

Speaking about the regional conflicts that have an unfavorable influence on world peace, the foreign minister stressed that Hungary, too, was interested in finding a comprehensive, lasting, and just solution for the Middle East crisis. "It is our conviction that the best framework for such a solution could be an international conference under UN auspices and with the participation of all interested parties, including the PLO. We support the appeal made by the UN General Assembly to create a committee from the five permanent members of the UN Security Council to prepare the peace conference."

Varkonyi also discussed the fact that the tension prevailing in Central America is causing concern and continued as follows: "We feel solidarity with Nicaragua and support the efforts made by the Contadora Group aimed at solving the conflict through negotiations." [paragraph continues]

Varkonyi said that, in order to eliminate the intolerable situation that has emerged in southern Africa, the Republic of South Africa should end its apartheid regime, withdraw from illegally occupied Namibia, and honor the political and economic independence and territorial integrity of the Front Line countries in southern Africa.

In the second part of his report, the minister said that the scope of Hungarian foreign policy has further widened and its activity has increased in the past year.

"The economic, social, and political development of the last decades and the increased international prestige our country enjoys as a result provide a firm background for this activity. Our goal is to promote the most favorable conditions possible for our work of socialist construction by developing our foreign relations.

"The events of the past year have also confirmed that, regardless of its size, today every state can actively contribute to the cause of peace and security. Guided by this conviction, we are endeavoring -- as we did previously as well -- to take an increasingly active part in the dialogue between nations" -- the minister said, and stressed that looking back at the past period, we can say with justification that our words have credit in the world and our partners follow our positions and steps with attention.

"The main goals of Hungarian domestic policy and its timely tasks also determine the trends of our foreign policy. Therefore, it is natural that in our international work during the past year, the solution of economic problems by means of foreign policy and diplomacy has gained increasing scope.

"The discriminating measures of the EEC apply to more than half of our exports to developed capitalist countries and the development of technical and scientific cooperation is hindered by other types of banning measures. In order to defeat these measures, we and the competent organs of the EEC, as members of GATT, are holding preparatory talks aimed at signing an agreement with the organization which would create considerably better, discrimination-free conditions for the sale of our products on West European markets.

"We regard it as our task to promote by all possible means and through our foreign relations the implementation of the MSZMP Central Committee decisions of 20 November."

Our Cooperation With the Socialist Countries [subhead]

"The fact that Hungary is a member of the Warsaw Pact, and CEMA, is of determining importance for our foreign policy activity.

"We have been actively assisting in coordinating the foreign policies of the Warsaw Pact member-states during the past period as well as in working out common proposals and implementing coordinated initiatives.

"Together with our allies, we are endeavoring to activate the Warsaw Pact's foreign policy activity, to ensure multifaceted information, and to improve the efficiency of coordination. We are satisfied that the session of the Warsaw Pact member-states' political Consultative Committee held in Budapest in June carried out its work in the spirit of the modernization of cooperation. [paragraph continues]

As a result, the experts-level political consultative mechansim has been developed and broadened, the working style of negotiations has been developed on every level, and the various levels of consultation and negotiation have become more regular and fuller in content.

"The socialist countries' switching to the intensive phase of economic development and the economic management reforms carried out in accordance with each country's particularities require the development of mutual relations among the CEMA member-states. All these contribute both to a more efficient assertion of common interests and to the acceleration of the economic development of individual countries. These efforts and intentions were expressed at the working meeting of the heads of the fraternal parties of the CEMA member-countries held in Moscow on 10-11 November and at the 42d session of the CEMA Council held in Bucharest. Concerning the further development of cooperation, an agreement was reached at the Moscow meeting, and its favorable influence will become apparent particularly in long-term cooperation.

"Hungary's interstate relations have developed in a balanced way in the past year, too. There is no change in the principles and main directions of our relations.

"We regard the strengthening of friendly and allied relations with the Soviet Union and the socialist countries, deepening of cooperation among our countries, and the implementation of our common social goals as our most important tasks.

"The meetings between Janos Kadar and Mikhail Gorbachev held in Budapest and Moscow were the outstanding events in the harmoniously developing Hungarian-Soviet relations. These meetings offered good possibilities for thoroughly learning each other's situation and endeavors, for exchanging our experiences, and for determining the tasks related to the further development of our bilateral cooperation. It appears that the program of accelerated development and reorganization of the Soviet economy opens up numerous new possibilities for Hungarian-Soviet cooperation.

"In the course of Janos Kadar's visit to Warsaw, Gustav Husak's visit to Budapest, Gyorgy Lazar's visit to Berlin and Prague, and Polish Premier Messner's visit and talks in Budapest, the concrete possibilities of strengthening the widespread cooperation based on mutual interests stood in the center of the talks. Our relations with the Bulgarian People's Republic have developed fruitfully. We have also endeavored to develop relations and cooperation with the SR of Romania. A common Hungarian-Yugoslav interest in fostering the traditional good-neighborly relations and in making our cooperation more efficient was expressed at our meetings on various levels. We are endeavoring to develop our relations with the People's Socialist Republic of Albania.

"We are directing much attention to the development of cooperation with the socialist countries outside Europe. We are satisfied that our interstate relations with the PRC are in order and our economic, technological and scientific, and cultural cooperation is constantly expanding. We find it important that concerning the fundamental issues of world politics -- primarily the general approach to the problems of disarmament, peace, and security -- our views are identical or close to each other."

We have developed our relations with the developed capitalist countries on the basis of mutual advantage and the common interest in preserving peace.

Today we can really appraise the importance of the fact that, in the first half of the eighties and under more difficult circumstances, too, we continued to maintain the political dialogue with these countries.

Our relations with Austria are covering increasingly wider areas in the spirit of good-neighborliness. The welcome expansion of our cooperation with Finland expresses the mutual sympathy between our peoples, a sympathy based on kinship. Our relations with these two countries are good examples of peaceful and fruitful cooperation between countries with different social orders.

"Regarding the FRG's position in Hungary's foreign relations system, our traditions, and the potentials inherent in our cooperation, we have an outstanding interest in developing our relations with that country.

"It is an important interest of ours to develop the existing cooperation with the developed capitalist countries, to work out new forms of cooperation, and to eliminate the obstacles hindering such a development. These goals were well served by the visits made by the president of the Presidential Council of Finland and the chairman of the Council of Ministers to Austria and Belgium, as well as the talks held with the presidents of the FRG and the Republic of Turkey and the queen of the Netherlands in Budapest, and the talks held with representatives of other European countries, too. We see favorable possibilities for strengthening mutually advantageous cooperation with important partners like the United States, Canada, and Japan.

"In accordance with our political and economic interests, we are turning adequate attention to maintaining and possibly expanding our relations with the African countries and the countries in the Middle and Far East areas. Comrade Pal Losonczi's visits to Nigeria and Syria and the talks held by the president of Zimbabwe and the premier of Iran in Budapest served this goal.

"In the process of democratizing going on in several countries of Latin America, we are experiencing an increasing interest toward the socialist countries, including Hungary, an interest in reviving political and economic relations. We welcome this increased interest and we are ready to widen our cooperation based on mutual advantage. We regard it important to develop our political and economic relations with the dynamically industrializing countries of Southeast Asia, too. We have taken several steps in the past year aimed at activating our relations with the ASEAN member countries."

For Expanding the Helsinki Process [subhead]

The foreign minister then spoke about the fact that the follow-up Conference on European Security and Cooperation in Vienna opens up good possibilities for the further accomplishment of European detente.

"The Hungarian People's Republic is fundamentally interested in the success of the Vienna Conference. Promoting pan-European cooperation has become an outstandingly important and organic part of our foreign policy in the past decade.

"The recommendations of the final document which was adopted in Helsinki are fully asserted in our internal practice. In the spirit of these recommendations, we have proposed to several of our Western partners this year, too, that the cultural and educational cooperation conditions which contribute to the increase of contacts be widened, that the visa procedures which are disadvantageous for Hungarian citizens be simplified, and that mutualism be established.

"At the Vienna talks, our delegation is endeavoring to bring about a balanced implementation of the Helsinki final document recommendations. This demands that attention be turned to issues of the final document which have not been implemented so far. Therefore we wish to stress the issue of economic, technological, and scientific cooperation.

"Naturally, this cannot diminish the importance of the issues of politics and security and humanitarian cooperation, either. In the three main cooperation areas, together with the other socialist countries, we are endeavoring to make sure that the conference does not become a stage of irrational confrontation."

What Do We Expect From the Vienna Conference? [subhead]

"The already mentioned success of the Stockholm conference is also providing a good basis for the discussion of the military aspects of European security. The socialist countries, including Hungary, are attributing primary political importance to the full implementation of the agreement.

"On our part, we regard it as important and we support the need that, following the conclusion of the follow-up conference in Vienna, the second phase of the European confidence-strengthening and disarmament conference begin as soon as possible. For this, in addition to working out further confidence- and security-strengthening measures, negotiations should also begin on the reduction of conventional armed forces and weapons. The Budapest appeal of the Warsaw Pact member-states on working out a disarmament program could be discussed, too.

"At this forum, too, our delegation is taking an active stand in favor of the consistent and full implementation of the principles governing mutual relations among states. We also stress the important role played by the national minorities living in various countries in Europe in creating good-neighborly relations, in strengthening them, and in enriching them. As we have already pointed out at the Ottawa meeting and at the Budapest cultural forum, we are starting from the premises which we are talking about here, about an important issue that is considerably affecting the relations among the European countries. We support our arguments by disseminating our practice and endeavors in Hungary.

"We are strongly interested in making sure that the Vienna conference decides on concrete measures on the relatively neglected issue of pan-European economic, trade, scientific-technological, and environmental protection cooperation. These measures could counterbalance the consequences of the discriminative and protectionist trade policy that has a negative effect on Hungary, too, and they could also uncover new possibilities and forms of cooperation."

The Good Experiences of the Cultural Forum [subhead]

The foreign minister then reviewed the cultural forum held in Budapest and said the following: "We are satisfied that the countries participating in the Vienna conference have repeatedly expressed high appreciatin for the common efforts of the representatives of the 35 countries in promoting the cause of European cultural cooperation and have noted with appreciation our role as hosts. At the bilateral talks we have been holding with many countries ever since the forum was held, we have been encouraged to begin new consultations at the Vienna conference, to take initiatives for the implementation of the proposals submitted at the Budapest cultural forum which we regard as having the best chance to be adopted, and to bring about adequate decisions at the Vienna conference.

"Along with all these, of course, we wish to support every concept that is aimed at genuinely developing humanitarian cooperation. We regard Foreign Minister Shevardnadze's statement as a particularly important one, a statement according to which the Soviet Union is ready to organize a European forum in Moscow -- if approached by the Vienna conference -- to discuss openly the issues of humanitarian cooperation."

The minister then dealt briefly with our relations with Hungarians living in many countries of the world and far from their homeland. "We are endeavoring" -- he said -- "to make sure that they preserve their awareness as Hungarians, their culture, that they foster their contacts with the old homeland and are, at the same time, good citizens of their new countries. In the period that has passed, our relations with the Hungarian nationals living abroad have further expanded and, beyond the ties of kinship and friendship, here has been an increase in the interest toward the international and domestic scientific and cultural conferences held in Hungary with the participation of an increasing number of experts. We regard the efforts made by the Hungarian associations and schools operating abroad, which are aimed at fostering and disseminating the Hungarian language and culture abroad, as worthy of our esteem. We will continue to endeavor to make sure that these contacts contribute to the deepening of understanding and friendship between the peoples of various countries and the Hungarian people."

In conclusion, the minister stressed that, in the coming new year, too, based on our results so far and according to our well-tested foreign policy principles and practice, we wish to continue our international activity. He then asked the National Assembly to discuss the report and adopt it.

LEADERS GREET CASTRO ON CUBAN NATIONAL DAY

LD302028 Budapest MTI in English 1730 GMT 30 Dec 86

[Text] Budapest, December 30 (MTI) -- Hungarian leaders have greeted in a telegram Fidel Castro, first secretary of the Central Committee of the Communist Party of Cuba and president of the Council of State and Council of Ministers of the Republic of Cuba, on the occasion of the national day of that country on January 1.

Janos Kadar, Pal Losonczi and Gyorgy Lazar, conveying the best wishes of the HSWP Central Committee and the Presidential Council and the Council of Ministers of the Hungarian People's Republic, emphasized in their telegram 'Our people sees the results achieved by the Cuban people under the guidance of its party with sincere esteem. We highly appreciate the foreign policy of Cuba tnat provides efficient assistance to the progressive forces of the world in their just struggle for national independence, social progress and the strengthening of international peace and security. We are convinced that our friendship and comprehenisve cooperation based upon common aims and the principles of internationalism will strengthen in all walks of life.'

On the anniversary Istvan Sarlos, speaker of parliament, has greeted in a telegram Flavio Bravo Pardo, president of the National Assembly of the Republic of Cuba. The National Council of the Patriotic People's Front, the Central Committee of the Hungarian Communist Youth Union, the Hungarian Peace Council and the National Council of Hungarian Women have also sent telegrams of greetings to their Cuban partner organizations.

DISSIDENT MOCZULSKI IN LONDON FOR TREATMENT

AU310831 Paris AFP in English 0255 GMT 31 Dec 86

[Text] London, Dec 31 (AFP) -- Leszek Moczulski, president of the Confederation for an Independent Poland (KPN), arrived here Tuesday night from Warsaw for medical treatment.

He was released from prison last September when the communist regime amnestied political prisoners.

Mr. Moczulski said at Heathrow Airport: "When I return to Poland I will continue to criticize the regime there as vigorously as before."

Mr. Moczulski, 53, said he suffered three heart attacks last summer and was therefore allowed to come here to have a heart pacemaker fitted.

He said he expects to go to France and the United States after medical treatment in Britain.

JARUZELSKI VISITS URSUS PLANT, EXTENDS GREETINGS

LD302114 Warsaw Television Service in Polish 1830 GMT 30 Dec 86

[Text] [Announcer] Today, on the penultimate day of 1986, members of the Party leadership, the Politburo and the Secretariat of the PZPR Central Committee met the workforces of many enterprises. The workforce of the Ursus engineering works was visited by Wojciech Jaruzelski and Zbigniew Messner. Conversations dealt with the reform, the effects of the brigade system of work, as well as problems connected with the completion of the Ursus-2, the biggest investment project of the Polish engineering industry.

[Begin recording] [Jaruzelski] [Words indistinct] the sanctions made things difficult for you and caused disruptions.

[Man] Several years of backlog, one must speak of several years of delays, interruptions. [passage indistinct] We felt it here, comrade secretary, most acutely. Sanctions did not just mean that we were unable to obtain something, they also meant that suddenly the arrivals of experts who were to commission the machinery here were stopped, and so on and so on.

[Man] Many of us come here from the old factory...

[Jaruzelski, interrupting] The young people are adapting well, aren't they?

[Man] Yes, of course. There are a lot of young people here, nearly 80 percent. The young people come here straight from school and technical colleges. They do not come here straight from primary school -- we have expert workers here. We commissioned this factory when there was practically no intake of experts from the West, when everyone was standing aside, watching us, to see us fall over.

These young people, brought up in Polish schools, were capable enough to commission this factory. We think it is marvelous.

[Jaruzelski] Do you work in a brigade system, or does everyone work for himself?

[Man] We complement each other. It is, in a way, a brigade.

[Jaruzelski] But the wages are not shared, like in a brigade system?

[Man] The bonus system is worked out in line with the personal commitment of the employees. We have the basis for paying bonuses; there is a basic amount and in accordance with this our manager decides what share is available to each one. This is agreed with our chief, the brigade leader, and the activists.

[Jaruzelski] How do you see the welfare conditions and social facilities [words indistinct]?

[Man] I think that conditions are very good -- good holiday centers, like Muszyna, (Gwizyna), Kolobrzeg; also welfare facilities are good -- cafeteria, medical facilities. Entertainment also is available: The good house of culture...

[Jaruzelski, interrupting] How often do you go to your house of culture?

[Man] One uses its facilities whenever one has the time.

[Jaruzelski] At the third plenum I said that party secretaries must know the party activists and all innovators and inventors equally well. Who do you believe are the leading people in this respect in this enterprise; who has notched up the greatest achievements?

[Man] Personally, the one with greatest achievements is (Zamoidal), from the forging plant. That's in a different plant. I must confess that I do not know them all very well.

[Jaruzelski] Please treat this as a party duty. There must be a list of names of such people, and your factory committee must look after such people. This is the engine of progress.

[Jaruzelski] How do you ladies view the supplies for Christmas, and the availability of goods in general?

[Woman] Passable. Well, it is not too good.

[Jaruzelski] But was it better this year than last year, or was it worse?

[Woman] Probably better.

[Jaruzelski] Good day, what do you think of the cafeteria?

[Man] It's all right.

[Jaruzelski] How many courses does lunch have here?

[Man] Two courses, plus the compote.

[Jaruzelski] It is all looking quite tasty, a lot of protein. How much does a dinner cost?

[Man] Fifty zlotys.

[Another man] There is one more cafeteria on the estate, a nice and modern one. It is used mainly by those living in hostels.

[Jaruzelski] Good day, we have come to give you our New Year's wishes. Best wishes to the workers of Ursus. Best wishes, have a nice New Year's Eve.

[Woman] Mr General, where will you be having fun on your New Year's Eve?

[Jaruzelski] By the television set. I am finished with this stage. [as heard] What about you? You, such a charming person, no doubt will take part in a really jolly party. Can you tell me where?

[Woman] Yes, I am going to Warsaw.

[Jaruzelski] With your fiancee? [laughter] I wish you lots of fun.

[Woman] And to you too. [end recording]

PZPR CC PASSES RESOLUTION ON ECONOMY

LD200527 Warsaw PAP in English 2045 GMT 19 Dec 86

[Text] Warsaw, Dec 19 -- Following is the abridged text of the "Resolution on Tasks in Accelerating Qualitative Changes in the Economy in the Light of the PUWP Tenth Congress Resolution", passed by the 3rd plenary meeting of the PUWP CC.

The CC acknowledges that to accelerate qualitative changes in economic management, in compliance with the resolution of the tenth congress, requires of the party and society to concentrate efforts on the following chief mainsprings of intensification of development:

-- Passing into the second stage of the reform.

-- Restructuring the national economy,

-- Acceleration of scientific, technological and organizational progress,

-- Full utilization of the potentials of labour, energy, raw materials and capital assets,

-- More export-oriented economy,

-- All-embracing review of organizational structures in the economy and state.

The Central Committee acknowledges the directions and aims contained in the national socio-economic plan for 1986-90 take account of the tenth congress' instructions, are realistic, and meet the intention of speeding up development. This is not to imply, however that the implementation of the plan will meet all social expectations.

The CC determines acceleration of qualitative changes as the key to implementation of the socio-economic objective laid down for the present five-year economic period.

At present, the main task is to faster carry into effect the economic reform -- to implement its second stage.

As a consequence of the full implementation of the rule of self-financing and economic constraint on companies, deep changes in their working and activation of internal reserves must take place.

The CC orders that a wide information and consultation campaign be launched to propagate in social consciousness the aims, essence, rules and social effects of the second stage of the reform, and to obtain society's opinion on the rate and ways of restoring economic balance.

The consistent restructuring of the economy is both the government's and enterprises' task.

It is the government's job to enforce economic constraint for updating producion by means of systemic and organizational instruments. The first months of the year 1987 should bring the completion of the work on legal foundations for the operation of innovation-producing units. At the same time, it is necessary to provide conditions for their early starting of work.

Likewise, it is necessary to speed up the creation of conditions for the establishment of more research and production centres.

Under the decisions of the 10th congress, the year 1987 should bring a comprehensive, in-depth review of technologies and products as well as development programmes, in the first place from the angle of their actual technological advancement.

The CC deems it necessary to take radical steps towards better product and service quality.

It is necessary to make major progress in rationalizing the use of materials, fuels and energy.

The party addresses the Patriotic Movement for National Rebirth (PRON), trade unions, socio-professional organizations, self-government bodies and youth organizations, as well as the entire society, to actively join the mass movement for austerity and to give broad support to the struggle against lavishness and wastefulness.

The CC recommends to the government to introduce a set of systemic measures to enforce better use and improved operation of production assets.

The CC emphasises the duty of all the economic links and the entire management structure to enforce an export orientation with the economy, as one of the decisive conditions of the qualitative changes and solving the major problems of Poland's development.

Hitherto accomplishments of economic, scientific and technological cooperation with the USSR and other socialist countries should be developed and enriched.

It is advisable to develop economic, scientific and technological cooperation along with other countries, along the principles of mutual benefit.

Good work should be rewarded and bad eliminated.

The managements of companies are expected to take firm steps to improve the discipline of work, and at the same time encourage active cooperation and firm position of the self-management bodies.

Qualitative changes in the economy should be enhanced by an active policy on personnel. The criteria of selection and evaluation of managerial personnel, established as part of the personnel policy, must be observed in rigorous determination.

The basic task of all the party authorities and organizations is to start an offensive against simulated activity, red tape, and the attitudes of incapability and passivity.

At the same time, positive experiences should be efficiently propagated, with special attention to assuring adequate career, material and moral gratification to those who make themselves distinguished or are leading (workers). To line up with the best ones is seen by the CC not as a matter of personal choice but an entirely quantifiable obligation.

The CC addresses all the citizens for broadest possible participation in the work on improving the Polish economy and speeding up its qualitative transformation.

MESSNER MEETS WITH PLANNING COMMISSION AKTIV

LD302038 Warsaw PAP in English 1823 GMT 30 Dec 86

[Text] Warsaw, Dec 30 -- Premier Zbigniew Messner met today with the professional and political aktiv of the Government Planning Commission.

Participants in the meeting assessed the work of the commission and pointed to the necessity to analyze in detail experiences gained during consultations of the national socio-economic plan for the years 1986-90 in order to use them in works and annual and long-term plans.

They determined that next year the commission should above all see to a consistent implementation of the second stage of the economic reform, and to work out a draft long-term plan till the year 2000.

It was pointed out that success in achieving such goals of the reform's second stage as balancing the national economy, making economic parameters, especially prices, more real, and reducing inflation, was a necessary condition for the acceleration of the process of improving economic performance, and thus for a succesful realization of the five-year plan.

FOREIGN MINISTER SPEAKS AT BRUSSELS DINNER

AU301225 Warsaw TRYBUNA LUDU in Polish 18 Dec 86 p 10

[Speech by Marian Orzechowski, PPR minister of foreign affairs and PZPR Politburo member, at a dinner given in his honor by Leo Tindemanns, Belgian minister of foreign affairs, in Brussels on 17 December]

[Text] We are conscious of the importance of this visit. It marks the resumption of regular political dialogue between our countries at the governmental level and lends practical expression to the search for possible ways to further develop bilateral relations in all fields. We also hope that it will contribute to an improvement in the international climate, to the enhancement of mutual trust, and to the development of cooperation in Europe.

The principal goal of Polish foreign policy has been and continues to be activity aimed at removing the threat of nuclear war, at reducing the level of military confrontation, and at the peaceful and amicable coexistence of all peoples.

The way in which the international situation evolved from the beginning of the eighties was not conducive to this and gave rise to anxiety. Today, the situtation remains complicated, but there are signs that provide grounds for hope. Confrontational trends, engendered by a desire to alter the strategic balance persist. The strategic balance of forces and a policy directed at an escalation of arms in space and on earth has become the source of grave tensions and has complicated East-West relations even further.

At the same time, we cannot fail to see the dangers to security and cooperation on our continent. Aside from a large concentration of weapons, these dangers include continually renewed attempts to undermine the peaceful order based on the decisions of the Yalta and Potsam conferences and on postwar developments.

The only alternative to these dangers is a return to detente and constructive cooperation. We believe that efforts by all states, both medium-sized and small, should be directed toward this goal regardless of the special responsiblity borne by great powers, and this is attested to by the failure to thus far use the opportunity created by Reykjavik. We attach great importance to proposals concerning the establishment of nuclear-free zones -- we were precursors in this field -- zones free from chemcial weapons, the elimination of missiles and the reduction of conventional forces with the simultaneous guarantee of effective international control. The constructive proposals put forward by states belonging to the socialist community are constantly waiting for a reply.

We also place great hopes in the meeting that is currently taking place in Vienna. We are counting on it to strengthen and invigorate the CSCE process and to contribute to an improvement in east-West relations. Poland is endeavoring to play its traditional, active role.

Polish-Belgian relations have rich and commendable traditions extending over many centuries. Our trade relations go back to the Middle Ages. Our cultural and scholarly contacts have always been close and friendly. The cities of Belgium occupy an important place in the lives of many outstanding Poles. I will only mention the names of the two most famous of them: Jan Dantyszek, who was in Brussels as the king's diplomatic representative, and Joachim Lelewel, the great Polish historian, the 200th anniversary of whose birth was celebrated this year through the efforts of scholars in both countries. And we are particularly conscious of the traditions of our common struggle against German fascism during the years of World War II.

Traditions of friendship assist mutual understanding, are conducive to better cooperation, and create an atmosphere that is favorable to the further development of contacts. Belgium was and remains an important and valuable partner for Poland.

We note with satisfaction that progress is being made in economic cooperation. The meeting of the joint commission scheduled for next month and next year's meeting of foreign trade ministers create prospects for the further development of trade.

We are striving to further expand cultural and economic cooperation and to invigorate contacts between representatives of political and social life in both countries.

Poland and Belgium are among those countries which, for a number of reasons, can be particularly aware of the dangers that exist.

Regardless of the difference that may separate Poland and Belgium on other matters, an exchange of views between the two countries and the search for solutions to problems that are the subject of common concern are of great importance. This is completely possible and lies in the best interests of both countries.

CEAUSESCU DELIVERS 1987 NEW YEAR'S MESSAGE

AU301346 Bucharest AGERPRES in English 1137 GMT 30 Dec 86

["New Year Message by Comrade Nicolae Ceausescu to the Whole Romanian Nation, Over the Radio and Television Stations" -- AGERPRES headline]

[Text] Bucharest, AGERPRES,30/12/1986 -- Dear comrades and friends, citizens of the Socialist Republic of Romania,

I am greatly pleased to address all working people, our whole nation warmest congratulations and best wishes on the New Year, on behalf of the party's Central Committee, of the State Council and government, as well as on my own behalf.

We conclude the year 1986 with the satisfaction of new achievements on the road to the homeland's socio-economic development, to the building of the multilaterally developed socialist society and of communism on the Romanian land. In difficult international economic conditions, we have managed, through the joint work of the whole people, to achieve an over seven per cent increase of industrial production over the last year, to make important progress in increasing labour productivity and raising the performance and quality of products, the economic efficiency and national income. In agriculture, we have achieved the largest cereal harvest in the country's history -- more than 28 million tones. Education, science, culture, the entire economic and social life of the country have kept developing.

All these achievements powerfully emphasize the correctness of the general policy of our party that creatively applies the objective truths and laws to realities and specific conditions in Romania to creditably fulfill its historic mission of leading the Romanian nation on the path to socialism and communism, to independence, welfare and happiness.

Looking back to the activity unfolded this year, we can assess that 1986 -- the first year of the 8th five-year plan -- was a year in which our people, purposeful builder of socialism, demonstrated once more, through facts, its will and capability to surmount any difficulty and to ensure our society's steady march on the road to its material and spiritual development, to socialist civilization.

On all these achievements I wholehartedly address our heroic working class, farmers, intellectuals, all working people, all our people, warmest congratulations and wishes of fresh and ever bigger successes in the future activity devoted to the socialist homeland's progress and thriving.

Dear comrades and friends,

We begin the second year of the current five-year plan with a comprehensive, thoroughly substantiated program of revolutionary work and action. The fulfillment in the best of conditions of the important targets comprised in the 1987 plan and programs, firm organizational measures are needed for the intensive development of the whole economy, the powerful accentuation of the qualitative facets of the ecnomic activity, the promotion to production of the latest gains of the revolution in technology and science, the increase of labour productivity and efficiency in all compartments. Resolute measures are necessary for consolidating order and discipline, for enhancing the responsibility and revolutionary spirit with a view to fulfilling the programs of improving labour organization and updating production, of raising the products' performance and quality, of applying the new economic mechanism, the economic and financial normatives, worker self-management and self-administration.

We have to further improve and use more largely the democratic framework that ensures the direct participation in the organization and management of production, of the whole socio-economic life, of all working people, in their capacity as owners, producers and direct end-users of everything that is achieved in our society. A major preoccupation must be the achievement in the best of conditions of the export production, the development of the foreign trade and international economic cooperation activity, of the collaboration within the CMEA based on the Complex Program of Technological and Scientific Progress by 2000, Romania's increased participation in the world exchange of assets.

We have everything needed for the fulfillment in good conditions of all objectives and provisions in the 1987 plan of socio-economic development of the country. Let us take every step in order to ensure, from the very first days, the exemplary fulfillment of all these provisions. Let us most resolutely commit ourselves to the struggle for improving the quality and efficiency of the entire activity in industry, agriculture, in economy as a whole. Let us broaden the new revolution in science and technology, the new agrarian revolution, the new revolution of development of our socialist society. Let us work so that our achievements in all domains of economy and social life in 1987 may mark an important stage on the path to the fulfillment of the objectives set by the 13th congress of the party regarding Romania's passage to a higher development stage -- the stage of a medium-developed socialist country -- the achievement of a new quality of work and life of all our people.

Dear comrades and friends,

The international situation has continued grave and complex in 1986. The arms race, nuclear included, went on, a number of conflicts and hotbeds of tension persisted and even gained scope in various regions of the world, shows of force and interference in other states' home affairs were resorted to time and again. Other nuclear missiles and mass destruction weapons were located in Europe and other parts of the world in utter disregard of people's interests of peace and security. Nuclear tests and actions to extend the arms race to outer space continued. The menacing clouds of a devastating nuclear war keep hanging above our planet.

As the life and civilization of the whole mankind are in serious danger, progressive forces everywhere, all peoples, the world public opinion have struggled bravely to halt the dangerous course of events toward confrontation and war, to entrench a policy of peace, collaboration and observance of people's and nations' foremost rights to life, peace, and a free and dignified existence.

Events have proved again in 1986 that the cardinal issues of our time are the cessation of the arms race, a passage to disarmament, nuclear first of all, the defence of peace and people's life. More than ever before, peoples should rally their efforts across the world, collaborate more closely to induce a real settlement of disarmament and nuclear disarmament issues.

Romania welcomed and supports the Soviet Union's proposals on a phased-out liquidation, until 2000, of all nuclear arms and holds that efforts should be further deployed to reach appropriate agreements as soon as possible, based on the Iceland Soviet-American summit's conclusions, to pave the way for the removal of nuclear arms and substantial cuts in conventional weapons.

Everything possible must be done in 1987 for a resolute passage from statements to specific disarmament actions. Romania believes that 1987 is likely to see an accord on intermediate mediate-range missiles in Europe. Moreover, we think that activities should be stepped up to end nuclear tests - as a first step along the path to disarmament and elimination of the nuclear peril.

On November 23, our people unanimously voted in a nationwide referendum to show its resolve to struggle for disarmament and peace. Romania is the first country in the two military blocs to have actually cut arms, troops and military spending by five per cent. We are satisfied to see that this initiative of the Romanian people has been widely acclaimed abroad - and we do believe that other states as well might take this as an example for real disarmament measures.

There are many other complicated and difficult issues in the international life, which must be solved with the active participation of all states, whatever their size or social sytem. Everything must be done to exclude the threat and use of force from international relations and to solve all interstate disputes by peaceful and negotiated means alone. Hence, efforts and actions for the eradication of underdevelopment and the establishment of a new world economic order should gain momentum.

The role of the United Nations Organization, and of other international organisms, should grow in the democratic settlement of the major issues confronting the contemporary world in the spirit of peace and collaboration.

As for Romania, it is resolved to continually strengthen its collaboration with all socialist countries, with the developing and non-aligned countries, and with the developed capitalist states, in keeping with the principles of peaceful coexistence. Our links with the other states are based firmly - just as always - on the principles of full equality of rights, observance of national independence and sovereignty, noninterference in home affairs and mutual advantage. In the spirit, and on the basis of these principles, we shall broadly cooperate with all the peoples and countries of the world, with peace-loving forces everywhere, for the firm assertion of the policy of disarmament, international collaboration and security, for a world free of arms and wars, a world of peace and understanding among all the nations of the planet.

Dear comrades and friends,

Citizens of the Socialist Republic of Romania,

May 1987 be for our people a year of new and greater accomplishments, of big successes in the implementation of the 13th Congress resolutions, of the grand objectives of building socialism and communism on Romanian soil.

May all world peoples' legitimate aspirations to live and work in peace and security, in a climate of international understanding and broad cooperation, come true in 1987.

On a New Year's eve I wish you, dear fellow countrymen, from the bottom of my heart, successes and greater achievements on the road to progress and prosperity of our free, independent and sovereign socialist homeland. I wish you all the best, good health and happiness.

A happy New Year.

PRESIDENCY'S NEW YEAR MESSAGE TO NATION

LD292042 Belgrade TANJUG Domestic Service in Serbo-Croatian 1637 GMT 29 Dec 86

["SFRY Presidency New Year's Message" -- TANJUG headline]

[Text] Belgrade, 29 Dec (TANJUG) -- The year 1986 was yet another one of great efforts by the working class, the working people and citizens of our country designed to help to resolve the most important problems of our social development and, above all, to surmount the unfavorable economic trends and to eliminate the economic difficulties that have been hampering our progress over recent years. Thanks to these efforts, positive results have been achieved in the growth of social product, industrial and agricultural production, rising employment and real income, tourism, and other spheres.

By their mass turnout at the delegate elections, our country's citizens reiterated their commitment and readiness to develop our society on socialist self-management foundations.

The 13th LCY Congress enhanced the unity of Yugoslav Communists and provided a fresh and powerful stimulus to the struggle for the continued socialist development of our society, for the consolidation of our federal socialist community and for enhancing the brotherhood and unity and fundamental rights and freedoms of our citizens.

Last year was also characterized by the important international activity of Yugoslavia as an independent and nonaligned country. Our consistent struggle for peace and disarmament, for security, equality, and more just economic and political relations among the states and peoples of the world has reaffirmed our country's reputation and enhanced its international position.

The attained results inspire optimism and confidence in our ability to advance in 1987 with even more determination toward new successes. In the coming year our attention must continue to be concentrated on the efforts to fulfill the goals of the country's socioeconomic development. To this end, greater mobility and involvement on the part of our working people and citizens, work collectives, sociopolitical organizations and state organs will be needed. To realize the objectives of the economic stabilization we shall have to work more, produce more, export more, and save more.

In the coming year we shall be faced with a responsible task of further developing our political system. Taking the fundamental constitutional principle as a point of departure, we must make fresh moves toward improving the functioning of the political system, eliminating its shortcomings and creating conditions in which the pressing social problems will be tackled more efficiently.

We shall be entering 1987 aware of the great tasks facing us whose fulfillment calls for a complete involvement by all socialist forces in society. Firmly adhering to Tito's path, united, responsible, and determined, we shall win this great battle as well.

With best wishes for New Year festivities and for a happy and successful 1987 to all citizens of the SFRY.

The Presidency of the Socialist
Federal Republic of Yugoslavia

SLOVENIAN OFFICIAL, CLERIC CHRISTMAS MESSAGES

Smole Delivers Message

LD241748 Belgrade TANJUG in English 0115 GMT 24 Dec 86

[Text] Ljubljana, Dec 23 (TANJUG) -- Jofe Smole, president of the Socialist Alliance of the Yugoslav Republic of Slovenia, in tonight's TV news programme, wished the people in this republic merry christmas and a happy new year. This was the first time in Yugoslav practice that a high-placed official publicly addressed the believers on the occasion of a religious holdiday.

"The new year season is approaching. Preceding it, at Christmas, a large section of mankind observes peace, welfare, and family happiness -- the three great values around which a rich culture and an array of old customs had evolved. To all the citizens who are intimately bound to this tradition, I wish they may spend the holidays in gratification and happiness," said Smole.

On behalf of the Republican Conference of the Socialist Alliance, Smole wished all people in Slovenia the happy, healthful, peaceful, pleasant and in every respect a prosperous new year 1987.

Smole has recently told the Belgrade BORBA newspaper that he sees "no serious reason" why Archbishop of the Catholic Church in Slovenia Alojzij Suster -- who, as a citizen, is attached to the Yugoslav Self-Management Socialist Society -- could not also address the public on the Ljubljana TV-radio not only on the occasion of Christmas but also on other holidays.

Such a possibility, he added, naturally cannot be had by individuals who -- irrespective of their status -- negate the social order of Yugoslavia. He said that the fundamental message of Christmas is "peace on earth to all people," and it is peace that the Socialist Alliance and Yugoslav society as a whole are endeavouring for.

In his interview to BORBA, Smole has also commented on a proposal by the Bishopric Conference of Slovenia to have the Catholic Christmas proclaimed a national holiday. Smole said this was unacceptable. He added that some firms in Slovenia give their religious workers days-off for Christmas, obliging the workers to work them off at a later time.

In Yugoslavia, the church is separated from the state, and religion is the private matter of an individual. The Socialist Alliance, being the largest socio-political organization, rallies all people given to socialism, and brotherhood and unity, irrespective of their religious creed. The three major religions in Yugoslavia are the Catholic, Eastern Orthodox, and Muslim.

Reaction to Smole Greetings

LD292053 Belgrade TANJUG in English 1900 GMT 29 Dec 86

["First Christmas Felicitations -- Different Reactions in Yugoslavia" -- TANJUG headline; by Srboljub Manojlovic; "pool" item]

[Text] Belgrade, December 29 (TANJUG) -- The Christmas felicitations addressed officially to believers over TV and radio in the Republic of Slovenia for the first time this year, met with different reations in Yugoslavia.

While some saw the "Slovene precedent" as an expression and sign of further democratization in Yugoslavia society, whose ideology has been based on Marxism and atheism for more than forty years, others warned that official Christmas messages of good wishes may be the first step in deviating from the principle of religious feelings as an exclusively personal affair and right of believers as individuals.

The Catholic Christmas is over, the Orthodox (January 7) about to come, and many people now ask will the Serbian Orthodox Patriarch German and the Macedonian Orthodox Metropolitan Gavrilo to have the opportunity to address believers as the Roman Catholic archbishop of Ljubljana, Dr Alojzij Sustar, did in Slovenia a few days ago. Will President of the Socialist Alliance of Serbia Dr Bogdan Trifunovic express his best wishes for Christmas to Orthodox believers, as his counterpart in Slovenia, Joze Smole, did on the Catholic Christmas Eve?

"I commend the fine gesture of Comrade Smole, and thereby the truly flexible policy towards religious communities in Slovenia. There can be no genuine democracy in a society with taboo themes, and religious holidays, including Christmas -- which is not only a religious holiday but also an occasion for family rejoicing -- you must admit were until recently passed over in silence," Secretary of the Association of Orthodox Clergy of Yugoslavia Svetislav Mitrovic said in an interview to BORBA. He added that the latest move in Ljubljana was a "crucial moment" in greater mutual opening in relations between the church and society in Yugoslavia.

BORBA, the official organ of the country's largest socio-political organization, the Socialist Alliance of the Working People of Yugoslavia, lost no time and conducted an opinion poll on how the Christmas felicitations in Slovenia were received by official structures and among the public.

"Christmas is firmly anchored in our past and present as a religious holiday, but even more firmly as a holiday of the family and peace," stated Mitja Ribicic, who was Yugoslav prime minister in the seventies and who withdrew from active political life this year due to his advanced age and generation change in the leadership.

Peace on earth to all people is the main message of Christmas holidays, and peace is what the Socialist Alliance and whole Yugoslav society stand for, said Joze Smole summarizing the Slovenian leadership's attitude to the greatest Christian holiday.

The leadership in the Republic of Croatia -- where, like in Slovenia, the majority of believers are Roman Catholics -- does not consider at present following the slovenian example. The assistant chairman of the Republican Commission for Religious Questions has stated that religious holidays are the "purely private matter of any believer". He was categorically against declaring Christmas a public holiday because, we have many holidays in a year, formal and informal, even without it." [quotation mark as received]

According to BORBA's poll, felicitations for Christmas and other holidays are not being considered in Vojvodina and Kosovo, the two autonomous provinces within the Republic of Servia. In Yugoslavia, a multinational and federative community situated at the East-West crossroads, a variety of religions is part of its historical heritage. For the past forty years, the church has been separated from the state and the school from the church.

From elementary school to university, young people in Yugoslavia are educated in the spirit of Marxist, materialist outlook on the world, but the country's Constitution and laws guarantee all citizens the full freedom of religion and religious services, considering them to be a private affair of the individual.

The main three religions in Yugoslavia are Orthodoxy, Roman Catholicism and Islam, but there are no official statistics on the number of believers. The fact that very few young and middle-aged people go to churches or mosques and that many more people celebrate New Year than Christmas and Easter, bayram and Ramadan, points to the conclusion that the number of believers in Yugoslavia is declining.

Nevertheless, if there was a sectarian attitude to believers at some times and in some places, efforts have been exerted for some time now to bring together all people -- party and non-party members, non-believers and believers -- within the Socialist Alliance, the only condition being that they are willing to contribute to the socialist, self-management development of the country and the consolidation of its independence, brotherhood and unity. As a rule, there are priests in Socialist Alliance leaderships in all republics.

Yugoslavs are particularly sensitive as concerns the brotherhood and unity of nations and nationalities, because they were forged under Tito's leadership during the liberation war and revolution (1941-1945), at the time when the Nazi invaders aided by domestic quislings were instigating a fratricidal war in Yugosalvia, banking on national and religious divisions within its boundaries.

Viewed in this light, it was, objectively, much easier for the leadership of Slovenia as the most homogeneous Yugoslav republic in national and religious terms, to "break the ice" and wish believers a merry Christmas. In other republics, however, where there are usually different nations and religions, this would be much more complicated. There, felicitations would have to be addressed on the occasion of Catholic and Orthodox Christmas, Ramadan and who knows how many other religious holidays. Hence, this question is of a practical rather than political nature.

Archbishop's Address

LD242144 Belgrade TANJUG in English 1918 GMT 24 Dec 86

[Text] Ljubljana, December 24 (TANJUG) -- On the occasion of Christmas, the Roman Catholic archbishop of Ljubljana, in Yugoslavia's Republic of Slovenia, Dr Alojzij Sustar, addressed today over Ljubljana radio "all Slovene believers, those who think differently and all others who live in this republic."

Archbishop Sustar said that the "Christmas is for all a holiday of new hope and new vital force in friendship and love." He addressed his best wishes for the Christmas holidays to all Christians, not only the Roman Catholics.

This is the first time in Yugoslav practice that the head of a religious community has addressed believers over the media on the occasion of a religious holiday. Joze Smole, the president of the republic's largest socio-political organization, the Socialist Alliance of Slovenia, appeared on last night's TV news programme to address Christmas and New Year greetings to the population of Slovenia.

Smole pointed out that the message of Christmas, "peace for all people on the earth," is what both the Socialist Alliance, and the entire Yugoslav society stand for.

That, too, was the first public address to the believers by a senior Yugoslav political functionary. In Yugoslavia the church is separated from the state and religion is an individual's private affair. The Socialist Alliance rallies all those who are committed to socialism, brotherhood and unity irrespective of their religious beliefs. The main three religions in Yugoslavia are the Roman Catholic, the Orthodox and the Moslem.

MIKULIC MEETS REPUBLICAN, PROVINCIAL OFFICIALS

LD241304 Belgrade TANJUG Domestic Service in Serbo-Croatian 1003 GMT 24 Dec 86

[Excerpts] Belgade, 24 Dec (TANJUG) -- Branko Mikulic, president of the Federal Executive Council, held a working meeting last night with the presidents of the republican and provincial executive councils to discuss some issues regarding current proceedings for adopting the resolution on policy regarding next year's socioeconomic development and a number of laws designed to carry through the proposed changes in the economic system. Consultations to harmonize the republican and provincial stance on the issue have reached their final stage in the SFRY Assembly. [passage omitted]

The presidents of the executive councils also considered the energy situation in the country. The Federal Secretariat for Information reported that the meeting stressed the need for electricity boards to quickly formulate electricity saving programs. While doing so, it must be ensured that electricity supply reduction measures do not jeopardize normal production processes. At the beginning of next month, the Federal Committee for Energy and Industry will produce a production plan for all forms of energy for the first 3 months of 1987, and suggest which saving measures should be introduced. Electricity consumption in the first quarter of 1987 is envisaged to be by a maximum of 5 percent above consumption in the first 3 months of this year.

STIPE SUVAR SPEAKS AT LC POLITICAL AKTIV

LD240331 Belgrade TANJUG Domestic Service in Serbo-Croatian 2040 GMT 23 Dec 86

[Text] Belgrade, 23 Dec (TANJUG) -- Bourgeois right and other antisocialist forces will not be successful in our society as long as not only LCY members, but also a huge majority of SFRY citizens who accept the self-managing socialist system in spite of the present shortcomings fight against their activity.

This is the result of a meeting held this evening in Belgrade of the presidents of permanent action conferences and secretaries of the LC organizations in the federation organs and organizations with Stipe Suvar, member of the LCY Central Committee Presidium.

In addition to many questions on the basic characteristics of the ideopolitical situation in society, the LCY, and the onslaught of the bourgeois right and other antisocialist forces, Stipe Suvar also commented on other current problems -- the economic situation (he spoke about foreign debts and failed investments), and the situation in Kosovo.

NATIONAL BANK OF YUGOSLAVIA GOVERNOR INTERVIEWED

LD282034 Belgrade TANJUG Domestic Service in Serbo-Croatian 0956 GMT 28 Dec 86

[Excerpts] Belgrade, 28 Dec (TANJUG) -- In the first quarter of next year, in accordance with the decision on the credit and monetary policy, the money supply is envisaged to increase by 4.5 percent and dinar credits of the banks by 5.5 percent. The discussion showed a certain degree of fear that within the framework of such an increase of monetary aggregates it will not be possible for the credit and monetary policy to have a satisfactory influence on the implementation of the fundamental goals, primarily in the economic policy and from the viewpoint of the increased economic growth and in a considerable acceleration of the exports. However, before the end of the first quarter, an analysis will be carried out of economic trends and market-monetary transactions, the price movements, and the nominal social product. In keeping with this, quantitative tasks will be established for the following and the remaining quarters, Dusan Vlatikovic, governor of the National Bank of Yugoslavia, said in an interview with TANJUG editor Milos Petkovic. [passage omitted]

Speaking about the interest rates policy for next year, the governor of the National Bank of Yugoslavia pointed out that the proclaimed principles will not be abandoned. More precisely, it will be continued with the policy of the implementation of the policy of realistic interest rates. The point of departure will be the coordination of the discount rates of the National Bank of Yugoslavia with the movements of the current inflation, which is measured by the movement of the prices of industrial products realized in the previous 6 months. On this basis, we would calculate the annual rate of price growth. The discount rate of the National Bank of Yugoslavia is obtained by adding 1 percent. [as received] In the first quarter, the discount rate will be 61 percent. Interest rates on deposits which "age" during a period of 12 months must not be lower than the discount rate. Interest rates on selective credits of the National Bank of Yugoslavia will be established by differentiation. Interest rates of the banks on credits within the credit potential will not be restricted. Nominal interest rates on bank deposits will be more precisely established by self-managing accords.

The policy of the dinar's exchange rate has always been a burning issue. Assessing expectations in this area for the forthcoming period, Dusan Vlatkovic said that the National Bank of Yugoslavia is sometimes criticized for failing to pursue a policy of the realistic exchange of the dinar. This amounts to a demand to devalue the dinar as much as possible. The statistics show that since 1980, taking everything into consideration, but using short time intervals, the exchange rate of the dinar has been adapting to the difference between the domestic and corresponding foreign price, while the devaluation is higher than this difference. The exception to this was the end of 1985 and the first half of 1986. This lagging behind had been eliminated by mid-1986, and the exchange rate of the dinar is rapidly adapting to this difference. From January 1980 to September 1986, the exchange rate of the dinar, in relation to corresponding foreign currencies, was reduced by 1,423 percent. In this period, the producer prices of industrial products rose by 1,364 percent, accompanied, of course, by the simultaneous growth of the corresponding foreign prices by 54 percent. Consequently, a realistic increase of domestic prices was 952 percent. If we compare this realistic increase of domestic prices with changes in the exchange rate of the dinar we will have a visible indicator. In fact, changes in the exchange rate were speedier than the growth of prices. On this account it cannot be said that we did not pursue a policy of the realistic exchange of the dinar, Vlatkovic stressed. [passage omitted]

I consider that the systemic changes in the banking system and monetary and credit policy will mean a step forward. They will contribute to the realization of the policy of economic stabilization, the elimination of irregular trends of the money issue and credit policies, the consolidation of responsibility for business transactions, and the restoration to the banks of the role that they should have regarding conditions of commodities' production, Dusan Vlatkovic, governor of the National Bank of Yugoslavia, said in this interview to TANJUG.

ZEMLJARIC CHAIRS FEC SESSION ON PRICE RISES

LD291515 Belgrade TANJUG Domestic Service in Serbo-Croatian 1255 GMT 29 Dec 86

[Excerpts] Belgrade, 29 Dec (TANJUG) -- Today, a session of the FEC, chaired by Janez Zemljaric, discussed a report on the announced price increases of communal and other services by the end of the year, and in this connection assessed that there are no fully justified economic reasons for them. Those organizations of associated labor and sociopolitical communities which announced the new prices should examine their proposals, taking into account the aims and tasks of the resolution for next year, and in particular those which refer to the urgent decrease of the rate of inflation and the maintenace of the standard of living, which would be even more threatened by the announced price increases.

The FEC's opinion is that the prices of postal and telecommunication services, railway charges, and the prices of road transport should not be increased this year. According to a statement by the Federal Secretariat for Information, it was assessed that it is also necessary to reexamine the announced price increase of insurance premiums.

With a draft of changes and amendments to the law on economic representative offices abroad, which was adopted at today's session, it is envisaged that joint representative offices should continue their work until the middle of next year, and not until the end of this year as prescribed by the present law in force. The solution is proposed because some representative offices have not carried out all the necessary tasks before they stop work. In addition, according to foreign countries' regulations, joint representative offices should settle the accounts of their financial and material business activities, and it is not possible to do this by the end of the year. [passage omitted]

The FEC also discussed a report on the final stage of negotiations between Yugoslavia and the EEC on concluding the protocol accompanying the agreement on cooperation between our country and the EEC in textile produciton trade, which was concluded for the period from 1987-91.

VETERAN POLITICIANS RETIRE FROM POLITICAL LIFE

LD240407 Belgrade TANJUG in English 2115 GMT 23 Dec 86

[Text] Belgrade, December 23 (TANJUG) -- A member of prominent Yugoslav leaders will withdraw from active political life following rejuvenation carried out in the country's top state and party leadership in the course of this year. The list of 29 new members of the Federal Assembly by the Presidency of Yugoslavia, includes the names of politicians who until recently held some of the most influential posts.

Thus, proposed as new members of the Council of the Federation are former prime minister, president of the Trade Union Confederation and president of the Presidency of Yugoslavia Mika Spiljak, former prime minister Mitja Ribicic, former president of the Presidency of the Central Committee of the League of Communists of Yugoslavia and president of the Assembly of Yugoslavia Dragoslav Markovic, former secretary of the CC LCY Presidency Dimce Belovski, former president of the Federal Conference of the Socialist Alliance of Yugoslavia Dr Aleksandar Grlickov, and former members of the highest Yugoslav party leadership Jure Bilic and Nijaz Dizdarevic. The new members will bring the total membership of this body, set up in 1963 under the preceding constitution, to 183.

This institution of "Wisdom and Experience," as the Yugoslav weekly NIN recently called it, has had an interesting history. Under the constitutional concept of 1963, the first council rallied a number of well-known revolutionaries, largely in their fifties and at the height of power, who held the most prominent political posts. However, the council did not meet until 1967, when its concept was changed and new members -- eminent politicians but without active functions -- were elected to it.

The new Constitution, adopted in 1974, defined the status of the Council of the Federation, and a new law on the council was also enacted shortly afterwards. Under the Constitution, the Presidency of Yugoslavia may convene the council to "consider issues of general policy" and may "entrust individual members of the Council of the Federation with the execution of specific tasks." The law, however, defines the council as a "political-consultative body."

This year saw a revival of activity of the council, which held three sessions. The impression is that the role of the council -- although it does not, formally, include any holders of high offices -- is gaining in weight as a component of Yugoslavia's political life. Sessions of the council are now largely open and the press extensively reports its debates.

BELGRADE COURT BANS BOOK ON CHETNIK MOVEMENT

LD292216 Belgrade TANJUG in English 2133 GMT 29 Dec 86

["Book Glorifying Chetniks Banned" -- TANJUG headline]

[Text] Belgrade, December 29 (TANJUG) -- The Belgrade District Court today banned the sale of the book "Allies and the Yugoslav War Drama" by Dr Veselin Djuretic because it is an attempt to rehabilitate the Chetnik movement and present its treason during World War Two as an anti-fascist struggle.

The ban was placed on the third edition of the book. When first published 18 months ago, the book was condemned by experts, official structures and the public. Amid criticism at the time, Dr Djuretic was expelled from the League of Communists of Yugoslavia. Djuretic tried to prove in court again today that the Chetnik movement of Draza Mihajlovic, convicted after the war for war crimes, treason and collaboration with the enemy, was allegedly anti-fascist.

The royalist movement of Draza Mihajlovic, however, only declared itself anti-fascist, but the Chetniks actually collaborated with the enemy during the war in their attempts to destroy the partisans and thus thwart the forces which had linked the struggle for national liberation with that for social liberation.

MAMULA VISITS SERBIAN INTERNAL AFFAIRS ORGANS

LD232336 Belgrade TANJUG Domestic Service in Serbo-Croatian 1617 GMT 23 Dec 86

[Text] Belgrade, 23 Dec (TANJUG) -- Fleet Admiral Branko Mamula, federal secretary for national defense, and his aides today visited the Secretariat for Internal Affairs of the SR of Serbia, where he had talks with Svetomir Lalovic, the republic's secretary for internal affairs.

The talks, in which Dobroslav Culafic, federal secretary for internal affairs, and Zdravko Mustac, an under secretary in the Federal Secretariat for Internal Affairs, also took part, were devoted to the current security situtation and cooperation of the Yugoslav People's Army security organs and services with the Secretariat for Internal Affairs of the SR of Serbia in suppressing any form of activity threatening the constitutionally determined order of the SFRY. It was said that significant results had been achieved in this sphere.

It was also agreed that the security services of both the Yugoslav People's Army and the republic's Secretariat for Internal Affairs had made a considerable contribution to the development of the system of all-people's defense and social self-protection. The need was stressed for continued socialization of the security services.

SUKRIJA ADDRESSES PRISTINA PARTY MEETING

LD170028 Belgrade TANJUG in English 1948 GMT 16 Dec 86

[Text] Pristina, Dec 16 (TANJUG) -- Without relying upon the socialist alliance of the working people as the widest front of organized socialist forces, the League of Communists of Yugoslavia (LCY) alone cannot win the battle against Albanian nationalism and separatism in Kosovo and cannot stabilize political conditions in this autonomous province -- has warned Ali Sukrija, member of the LCY Central Committee, addressing a party meeting in Pristina.

Himself a member of the Albanian nationality, Ali Sukrija assessed that the cases for attempted cases of raping and desecration of graves of Serbs and Montenegrins was "bringing the inter-nationality relations in Kosovo to a perilous point." Sukrija held that "such wrongdoings are passed over too quietly" and that children and youth, who often appear as perpetrators, "must have been told by someone to do so."

In Sukrija's belief, the activity of Albanian chauvinists and separatists is aimed against the socialist system in Yugoslavia, or, what is involved is the "class enemy who wants to capture power and topple this system and this community."

Speaking on the high birth rate in Kosovo, Ali Sukrija assessed that the request for family planning in the province is not aimed against Albanians, but on the contrary, it is primarily in their interest. Sukrija said that the problem is not receiving sufficient attention of either workers in health services and education, or other social structures in Kosovo, although the number of the unemployed in the province now already totals 120,000. The birth rate in the Province of Kosovo, where 85 percent of the population are members of the Albanian nationality, is 24 per thousand and is three times the average natality rate in Yugoslavia.

ARMY COOPERATION WITH KOSOVO POPULATION

LD190505 Belgrade TANJUG Domestic Service in Serbo-Croatian 1641 GMT 18 Dec 86

[Text] Pristina, 18 Dec (TANJUG) -- The units and commands of the Yugoslav People's Army [YPA] in Kosovo have achieved very significant results in training, education and combat readiness. Particularly valuable results have been achieved in cooperation between members of the YPA and the population.

This was said by Major-General Veso Srdic today in talks with journalists on the occasion of the upcoming holiday of the YPA. Among other things, he said that YPA members in this province have built 170 km of roads and have also taken part in a series of other humanitarian activities. The value of the work carried out amounts to more than 300 million dinars. During the fall 86 exercise, members of the YPA carried out specialized check-ups on over 2,000 citizens, children, and women [as received] who needed medical help.

Many officers of the YPA are studying the Albanian language. Valuable results have also been achieved in cultural and entertainment cooperation between members of the YPA and young people as well as with the population in general.

MONTENEGRIN LC COMMITTEE NOTES IDEOLOGY TRENDS

LD170025 Belgrade TANJUG Domestic Service in Serbo-Croatian 1711 GMT 16 Dec 86

[Summary] Titograd, 16 Dec (TANJUG) -- Today two commissions of the Montenegro LC Central Committee for ideological and theoretical work and for ideopolitical questions of education, science, and culture held a joint session to analyze ideological trends in this republic. Members of the commissions concluded that Montenegro institutions have not fallen under the influence of the bourgeois right, though there have been individual examples of departures from the LC line.

"Mention was also made of some concrete examples of behavior which harms the constructive political mood for action of subjective socialist forces, occurring in publishing activity and in the press. Views of some Communists, it was stressed at the session of the two commissions, often depart from the ideological stands of the LC. One of such examples, it was said at the session, is the interview by Batric Jovanovic to INTERVJU Sunday journal, given on the occasion of the printing of his book, "Montenegrins About Themselves" [Crnogorci o Sebi"]. The essence of Jovanovic's view, which is unscientific and unacceptable, is the interpretation that the Montenegrin nation is the "result of the party's decision," rather than a real historical fact. With his assessments that texts of nationalistic content get "official" or "semi-official" support by people from the highest organs of the Montenegro LC, Jovanovic, as it was stressed, tried to question the overall prestige of the Montenegro LC in relation to the national question.

"There is no need, it was stressed at the session, to make a "white book" of provocations by intellectuals in Montenegro, but there is sufficient reason for a much greater mobility of Communists, creators in all the press of creativity and for the strengthening of ideological struggle for Marxist evaluation of history and the present social reality."

BOSNIA-HERCEGOVINA OFFICIALS' CORRUPTION TRIAL

AU252648 Paris AFP in English 1629 GMT 25 Dec 86

[Text] Belgrade, Dec 25 (AFP) -- Two high-ranking Yugoslav officials went on trial in Sarajevo for corruption Wednesday, it was reported here Thursday. The two were named as Danilo Belasevic, secretary-general for justice for the Republic of Bosnio-Hercegovina, and the same republic's government secretary, Ranko Nikolic. Both were arested last October. They are charged with accepting bribes in connection with the release of a convicted person, the nomination of a provincial judge, and the re-election of a magistrate. Western observers noted it was the first time top officials in Yugoslavia have been prosecuted for corruption.

BOSNIA-HERCEGOVINA PARTY SECRETARY INTERVIEWED

LD292215 Belgrade TANJUG Domestic Service in Serbo-Croatian 1731 GMT 29 Dec 86

[Text] Sarajevo, 29 Dec (TANJUG) -- In his interview, carried by Sarajevo VECERNJE NOVINE in the special new year issue, Saban Kevric, secretary of the Central Committee of the LC of Bosnia-Hercegovina, lays emphasis on anticommunist and antisocialist tendencies in society.

At the level of political aspirations, says Kevric, the exponents of anticommunist and antisocialilst ideologies are concentrating on what is crucial: to instigate a conflict between the LC and the working class, the vanguard and the people. They know very well that the leading role of the LC is the strongest cement for strengthening the unit of socialist forces.

Hence a logical question: What was the attitude of the LC to these attacks up to now? One must bear in mind that one of the aims of anticommunist forces is to incite a state of affairs in which the LC would resort exclusively to repressive methods to prove that the LC is a stalinist party. The LC has always been wary of such a provocation, which frequently creates an impression that the LC is on the defensive. If one can speak about the elements of being on the defensive, then other reasons are in question. The impression of being on the defensive, which has truly been created in some environments, has intensified in some environments a nonuniform attitude of the LC to anticommunist forces, which is, most probably, a result of compromises and the undermining of the exponents of these ideas, but also of the realistic state of affairs.

It seems as if, so far, we in the LC have shown too much unnecessary consideration in the ideological struggle against anticommunism and the bourgeois right. On one occasion we are inhibited, concerned what the international public would say, while on another we are careful not to let them reproach us with being Stalinists. There were also situations when we agreed that the uniform ideological Yugoslav territory should be parcelled out and that the exclusive "right" of intervention within the ideological sphere should be reduced to the intervention of parts of the LC, in which "territory" these forces are manifested, and not of the entire LC. Sometimes this non-uniformity is justified, allegedly, by various similar democratic traditions in some parts of the country.

All these are the elements that have been creating the atmosphere of opportunism in some LC organizations. I say in some, because we should not generalize, because the situtation is not the same everywhere.

Also, the situation today is not the same as the one yesterday, which is a result of the ever increasing offensive attitude of the LC, given stimulus by the stands of the Presidency and the LCY Central Committee on the topical ideo-political trends in the country, stressed Saban Kevric.

BOSNIA-HERCEGOVINA COUNCIL DISCUSSES DEFENSE

LD302126 Belgrade TANJUG Domestic Service in Serbo-Croatian 1506 GMT 30 Dec 86

[Text] Sarajevo, 30 Dec (TANJUG) -- The Executive Council of the Assembly of the SR of Bosnia-Hercegovina, with Josip Lovrenovic in the chair, today discussed the issues of the functioning, development, and improvements in the all-people's defense and social self-protection system. It was assessed that great interest exists among young people for education in military schools and academies.

Following an analysis of the level of development in the special-purpose industry, the council reportedly concluded that, in the coming period, efforts should be made to develop scientific and research work and to formulate programs for developing new materials and components in this branch of industry. The most professional experts and considerable material funds will have to be employed. Despite a whole set of complex problems over the last 5-year period, the special purpose industry successfully carried out its envisaged tasks.

SOURCES USED IN IRANIAN PRESS ATTACKS IDENTIFIED

AU251751 Belgrade BORBA in Serbo-Croatian 10 Dec 86 p 2

[Radomir Licina commentary: "Green Blank Cartridges From Tehran"

[Excerpts] ("You have your belief, and I have my belief," Honorable Koran, 109:6)

Very soon after the victory of the revolution at the beginning of 1979, the official propaganda of the Islamic Republic of Iran started an intensively and carefully orchestrated campaign for the rights of the "oppressed masses of the world."

Although at the beginning of the campaign it was not clear who would be included in the rather vague category of "the oppressed," and although Iran joined the Nonaligned Movement, thereby accepting the movement's principles and policy of active efforts for creating a new and more just world for all nations and individuals, it soon turned out that propagandists of the Islamic republic are interested almost exclusively in the position of Muslims and Islamic communities in other countries. Tehran newspapers and other information media soon started to claim more and more frequently and openly that "after the victory of the Iranian revolution, the Muslims of the whole world found new life in Iran," and then started to list individually countries and regimes "in which Muslims are denied social rights, where they are oppressed, arrested, and abused, and where they are even killed."

It was not long until Yugoslavia found itself on the "black" list of the Iranian media.

Past Times [subhead]

At the beginning, immediately after Tito's death and as special warning to the new Yugoslav leaders, JOMHURI-YE ESLAMI, the organ of the ruling Islamic Republican Party, demanded that more attention be devoted to the demands of Yugoslav Muslims. A year or two later, the articles hauling Yugoslavia on the carpet for "oppressing and abusing its Muslims" became the most frequent and almost the only means of dealing with our country in Iranian propaganda. [passage omitted]

With or without some forced occasions, Yugoslavia has been presented to the Iranian public very one-sidedly, mostly in a negative light, with some moves from time to time that escalated in their tone and content to heights dangerously close not only to anticommunist hysteria, but also to stirring up religious intolerance and national hatred. [passage omitted]

Even if one can characterize as -- to put it mildly -- frivolous, those theses in some Iranian papers and articles according to which "there is a double legal system in the SFRY... in which those who are not Muslims enjoy greater rights" and according to which "an increase in the interest of young Yugoslavs in studying Islam created panic in the Communist Party," or that "there is no Muslim family in Yugoslavia without at least one member being in prison," these are the very serious sounding claims (which sound like a incitement) that "a new wave of arrests will only provoke hatred among Yugoslav Muslims, but make them oppose oppression with arms." Or the indirect advocacy that "Albanian dissidents be recognized as having a right to the same status as Serbians have," and the views that a hidden genocide is carried out against Albanians in Kosovo... And, according to all that is written in the Tehran press, those most responsible for such a situation in Kosovo -- where the "Serbian minority failed to adjust to the Albanian majority" -- are "Serbian colonizers" and Serbian politicians who dominate in the Yugoslav Government" and... who do not allow "a mediatory role in solving the Kosovo problem to the Muslim countries with which Yugoslavia has good relations." [passage omitted]

It would have been very easy and even reassuring if the reasons for this mass of untruths and insinuations about Yugoslav reality could be ascribed to a failure to be acquainted with the facts of our past and present, or the "rhetoric of some of our enthusiasts," as some Tehran officials like to put it. It is more than conspicuous, though, that Iranian propagandists seek data and theses for their rhetoric (in the case of Yugoslavia) always in the same or recognizable sources, even when these are not signed or cited.

These are primarily some unidentified Albanian and Muslim "dissidents," also various Western (depending on the need, Tehran calls them Satan as well) sources, and some of those organizations which concern themselves with human rights ("Amnesty International," for instance).

And finally -- though not last in importance -- there is Ustasha propagandist Kerim Reis who is a frequent "guest" in the pages of the Tehran press. For those not in the know, Kerim Reis is president of the Croatian Islamic Center in Toronto, whose pro Ustasha orientation does not require much proof. As concerns Reis himself, he is an Ustasha emigree, a former associate of Andrija Artukovic, a present deputy of Mate Mestrovic, and a member of the Assembly of the Ustasha Croatian National Council (as deputy of the "Ante Pavelic" election ward). One of the purpose of Reis's Ustasha Center is "informing the Islamic world about the persecution and violation of the freedoms and national rights of Croatian and Albanian Muslims in the SFRY."

Without any doubt, Iranian propagandists have a "correct, unmalicious, and unbiased choice and source" for informing their public about Yugoslav reality.

Following this kind of Tehran propaganda logic, to inform the Yugoslav public about Iranian reality, our right and only sources of information would have to be Prince Reza, for instance, or his father's Premier Bakhtiar. [passage omitted] Such thinking can also be characterized as "rhetoric of some Yugoslav enthusiasts." It can be, but does not have to be.

IRAQI OIL MINISTRY OFFICIAL ARRIVES FOR VISIT

JN231108 Baghdad INA in Arabic 1050 GMT 23 Dec 86

[Text] Belgrade, 23 Dec (INA) -- Oil Ministry Under Secretary 'Isam 'Abd al-rahim arrived in Belgrade today at the head of an Iraqi delegation on a visit of several days to the SFRY. The Iraqi under secretary will hold talks with the SFRY officials to pave the way for the meetings of the 12th session of the Iraqi-SFRY joint committee. The talks will also deal with ways to promote economic cooperation between the two countries and progress in several projects being executed in Iraq by SFRY companies.

Joint Scientific Committee

LD270036 Belgrade TANJUG Domestic Service in Serbo-Croatian 1253 GMT 26 Dec 86

[Text] Belgrade, 26 Dec (TANJUG) -- Andrej Ocvirk, member of the Federal Executive Council and president of the Federal Committee for Energy and Industry, had talks today with 'Isam 'Abd al-rahim, under secretary for oil of the Republic of Iraq and deputy chairman of the Iraqi part of the mixed Yugoslav-Iraqi Committee for Economic and Scientific-Technical Cooperation. They reviewed bilateral economic cooperation, particularly in energy, and the involvement of Yugoslav organizations in the construction and equipping of investment projects in Iraq.

BRIEFS

TRADE PROTOCOL WITH CUBA -- Belgrade, 19 Dec (TANJUG) -- A protocol was signed in Belgrade tonight between Yugoslavia and Cuba on the exchange of commodities and services in 1987, envisaging the exchange volume of $60 million. The protocol was signed by Dr Aleksandar Donev, member of the FEC and federal secretary for market and general economic affairs; and Ernesto Melendez, minister-president of the State Committee for Economic Cooperation. [Text] [Belgrade TANJUG Domestic Service in Serbo-Croatian 1844 GMT 19 Dec 86 LD]

ASSEMBLY MEMBER DIES -- Pristina, 23 Dec (TANJUG) -- Aslan Fazlija, a prominent sociopolitical worker and Kosovo delegate in the SFRY Assembly's Federal Chamber died in Pristina today. He was 62 and in his political career occupied a number of important posts: He was member of the Federal Executive Council, member of the Presidium of the Kosovo LC Provincial Committee Presidium, editor-in-chief of RILINDJA and director of the Rilindja newspaper publishing house. [Summary] [Belgrade TANJUG Domestic Service in Serbo-Croatian 1607 GMT 23 Dec 86 LD]

1986 INFLATION FIGURES -- Belgrade, 24 Dec (TANJUG) -- Compared to 1985, this year's inflation, measured by the increase in retail prices, will be 88.6 percent. This is the latest assessment by experts of the Federal Institute of Statistics, judging by the trends in the latest quarter of the year. According to these assessments, industrial production this year will be up by four percent compared to last year, while the producers' price index in the same period will be up by 70.9 percent and the cost of living index by 90.1 percent. [Text] [Belgrade TANJUG Domestic Service in Serbo-Croatia 1535 GMT 24 Dec 86 LD]